

RESOLUTION

A RESOLUTION TO AMEND THE DEBT REFERENDUM POLICY FOR FAUQUIER COUNTY

WHEREAS, the Board of Supervisors, through its Capital Improvements Plan process, has recognized the need for and wishes to encourage enhanced public participation in the decision making process relating to major new construction projects due to potential effects of these projects on the County's credit rating, debt availability, tax rates and annual operating budget; and

WHEREAS, on June 11, 2001, the Board of Supervisors adopted a Debt Referendum Policy, effective July 1, 2001, and on October 20, 2003, a work session was held to discuss the need for and specific elements of amending the policy; and

WHEREAS, the Board of Supervisors has determined that it is desirable and necessary to amend the Debt Referendum Policy relating to major new facility construction projects and establish referendum requirement thresholds and other policies relating thereto; now, therefore, be it

RESOLVED by the Fauquier County Board of Supervisors this 17th day of November 2003, That the Fauquier County Board of Supervisors does hereby adopt the following amended Debt Referendum Policy:

1. All new facility construction projects or acquisitions that exceed \$10,000,000 shall be subject to voter referendum, regardless of financing mechanism.
2. Cash expenditures are authorized for reasonable related expenses in preparation for a referendum. These expenditures may include preliminary architectural and engineering design work needed to provide the County citizens adequate details on the referendum issue. Funding will be in accordance with current Finance Committee policies.
3. The referendum threshold for new facility construction projects shall be lowered to \$2,000,000 in the event that the County has or, through the issuance of the contemplated debt, will exceed 100% of the County's debt capacity. (Debt capacity shall be defined as 10% of General Fund revenues committed to debt

service.)

4. This amended policy shall take effect on November 18, 2003.
5. Voter referendums shall coincide with the General Election.
6. The Board of Supervisors, by a majority vote of the Board of Supervisors at a regularly scheduled meeting, may waive the referendum requirement, to the extent allowed by law, to meet a critical health and/or public safety need or in conjunction with a court order.